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## Information Item

### *Educational Policy and Programs Committee*

#### Report on Proposed Revisions to the Guidelines for Review of Proposed New Campuses and Educational Centers

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This report discusses the proposed revisions to the Commission's *Guidelines for Review of Proposed University Campuses, Community Colleges, and Educational Centers*. The report includes a brief historical overview of the Commission's responsibility for the review of new public postsecondary educational institutions, a summary of the conditions that prompt the need to revise the guidelines, and a review of the proposal changes.

California requires new public institutions of higher education to be reviewed by the Postsecondary Education Commission prior to their establishment. The Commission first adopted policies relating to the review of proposed campuses and educational centers in 1975 and revised those policies in 1978, 1982, and 1992. The most recent revision is contained in the Commission's publication, *Guidelines for Review of Proposed University Campuses, Community Colleges, and Educational Centers* (CPEC, 92-18).

While the current guidelines have worked well, changes in the higher education planning environment present an opportunity to enhance the efficacy of this document. Burgeoning student enrollments, changes in the economy, new technologies, and the emergence of collaborative ventures are providing a new landscape and changing the context within which planning takes place. Staff intends that the revised guidelines reflect these factors and build on experience gained in addressing recent proposals.

*Presenter:* Gil Velazquez.



# Report on Proposed Revisions to the Guidelines for Review of Proposed New Campuses and Educational Centers

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**T**HIS AGENDA ITEM presents the proposed revisions to the Commission's, *Guidelines for Review of Proposed University Campuses, Community Colleges, and Educational Centers*. This report provides an historical overview of the Commission's responsibility for the review of new public postsecondary educational institutions, identifies the conditions that prompt the need to revise the guidelines, and outlines the recommended changes.

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## **Overview of the Commission's review process**

The State of California requires new public institutions of higher education to be reviewed by the California Postsecondary Education Commission prior to their establishment. The review helps ensure that new university and college campuses and off-campus centers develop in accordance with statewide needs and priorities. In as much as the Commission's approval of a new institution creates an eligibility to compete for State capital outlay funding, the review process also serves to ensure that State resources used to build new institutions will be wisely spent.

The Commission's role in overseeing the orderly growth of State public higher education can be traced to the inception of the California Master Plan for Higher Education. Subsequent legislation assigned to the Commission, and to its predecessor, the Coordinating Council for Higher Education, responsibility for advising the governor and the Legislature about the need for new college and university campuses and off-campus centers.

Proposals submitted for review by the Commission also involve review by system executive offices and State control agencies. Each review helps ensure that a new institution will meet specific needs, offer high quality educational services, and have enrollments sufficient to sustain long-term financial viability. The Commission's review does not begin until after a proposal has been endorsed by the systemwide governing body or its executive officer.

Proposals for new institutions also require review by the California Department of Finance. As the State's designated demographic agency, the Demographic Research Unit (DRU) of the Department of Finance has the statutory responsibility for the preparation of systemwide enrollment pro-

jections. Accordingly, the DRU must approve enrollment projections provided in proposals for new institutions. The Department of Finance, through the Budget Change Proposal process, also provides an independent and final review of proposals involving State capital outlay funds.

The Commission's review process has traditionally been organized in three phases:

1. The initial step is the formulation of a long-range plan by each of the three public systems.
2. Phase two occurs when a system notifies the Commission of a specific need for and intention to expand educational services in a given area. This "Letter of Intent" stage permits the Commission to recommend against a proposal or provide advice before the system engages in significant planning and development activities and signals the point at which systems may be eligible to compete for funding to assist in programmatic planning efforts.
3. The final stage involves a Needs Study, in which the system submits to the Commission a comprehensive needs analysis for the project.

At the conclusion of the review process, the Commission forwards its recommendations to the governor, the Legislature, and the system executive office.

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*Projects subject  
to Commission  
review*

The following actions are subject to review by the Commission under the existing guidelines:

- ◆ Establishment of a new university or community college campus.
- ◆ Conversion of an educational center to a university or community college campus.
- ◆ Establishment of a new university or community college educational center.
- ◆ Conversion of an off-campus center operation to an educational center.

The revised guidelines propose to expand the Commission's review authority to include joint-use centers. Additionally, the Commission may review and comment on other projects consistent with its overall State planning and coordination role pertaining to postsecondary education.

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*Commission  
responsibilities  
and authority  
regarding new  
campuses  
and centers*

The Commission's authority to review proposals for new public higher education institutions comes from State law. Section 66903(e) of the California Education Code states that the California Postsecondary Education Commission shall, "advise the Legislature and the Governor regarding the need for, and location of, new institutions and campuses of public higher education." Section 66904 of the Education Code expresses

the intent of the Legislature that the sites for new institutions or branches of public postsecondary education will not be authorized or acquired unless recommended by the Commission:

It is the intent of the Legislature that sites for new institutions or branches of the University of California and the California State University, and the classes of off-campus centers as the Commission shall determine, shall not be authorized or acquired unless recommended by the Commission.

It is further the intent of the Legislature that California Community Colleges shall not receive State funds for acquisition of sites or construction of new institutions, branches or off-campus centers unless recommended by the Commission. Acquisition or construction of non-State funded community colleges, branches and off-campus centers, and proposals for acquisition or construction shall be reported to and may be reviewed and commented upon by the Commission.

Education Code Section 89002 applies specifically to the California State University (CSU) and specifies that construction of authorized campuses shall commence only upon resolution of the State University trustees and approval by the California Postsecondary Education Commission.

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**Brief history  
of the review  
process**

The statutes that support the Commission’s guidelines have a long and consistent history dating back to the development of the 1960 California Master Plan for Higher Education. Section 66903(e) remains unchanged since the Donahoe Act created the Commission’s predecessor agency, the Coordinating Council for Higher Education, in 1961. That legislation gave the Council specific responsibilities, including the review of new programs, the collection of data and information regarding higher education, and the regulation of physical growth.

The Coordinating Council provided broad advice on long-range planning matters, and “the need for and location of new institutions” of higher education. The Council conducted statewide planning studies, examined enrollment growth and fiscal resources, and suggested not only the number of new campuses that might be required in future years, but also the general locations where they might be built. The Council published these statewide planning assessments in a series of reports referred to as “additional center studies.” The Coordinating Council’s broad, long-range planning responsibility did not involve the review of specific proposals for new campuses or educational centers.

When the California Postsecondary Education Commission was established in 1974, the Legislature specified a stronger role for the Commission to provide advice about the need for and location of new public postsecondary institutions. Education Code Section 66904 gave the Commission greater responsibility in overseeing the growth of California’s public

higher education enterprise and more direct authority to review specific proposals for the establishment of new institutions.

The Commission's quasi-regulatory responsibilities have been formalized in a set of guidelines that provide campus planners and executives with a framework for planning new institutions and an outline for the development of proposals requiring review. The guidelines specify the actions subject to Commission review, the criteria for reviewing proposals, the schedule to be followed by the three public systems when submitting proposals, and specify the contents required of a Needs Study. The guidelines define the criteria by which Commission staff members analyze new campus proposals, focusing particularly on the issues of enrollment demand, geographic location and access, programmatic alternatives, projected costs, and potential impacts on the surrounding community neighboring institutions.

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*Evolution of the guidelines*

The Commission first adopted policies relating to the review of proposed campuses and educational centers in 1975. The Commission revised those policies in 1978 and 1982. The most recent revision to those policies occurred in 1992 and is contained in the Commission's publication, *Guidelines for Review of Proposed University Campuses, Community Colleges, and Educational Centers* (CPEC, 92-18).

The two revisions in 1990 and 1992 represented substantial amendments to what was then called the *Guidelines for Review of Proposed Campuses and Off-Campus Centers*. Through those revisions, the Commission's Guidelines sought to incorporate a statewide planning agenda into the guidelines in the hope of achieving a greater attention to statewide perspectives than had previously been in evidence. The 1990 and 1992 guidelines called for long-range plans from each of the systems, followed by a Letter of Intent that identified a system's plans to create one or more new institutions, and finally, a formal Needs Study for the proposed new institution.

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*The need for updating*

In general, the 1992 *Guidelines for Review of Proposed University Campuses, Community Colleges, and Educational Centers* have worked well for the past eight years. However, changes in the higher education planning environment present an opportunity to enhance the efficacy of this document. Long-range planning has become more complex and fluid. Systems face notably shorter planning horizons and desire to maintain flexibility in order to respond to new opportunities or adapt to changing conditions. Burgeoning student enrollments, changes in the economy, new technologies, and the emergence of collaborative ventures are providing a new landscape and changing the context within which planning takes place.

A major shift has occurred over the past five years in how planning is accomplished. Previously, the Commission asked for planning documents from the systems with the intention of offering comments, and perhaps

conclusions, on their content. These plans were designed to articulate statewide needs from a systemwide perspective. However, the plans were rarely submitted and proved to be of little value.

With the publication of *A Capacity for Growth* in 1995 (CPEC 95-9), the Commission assumed a more centralized and facilitative role in statewide planning. The capacity report provided comprehensive statewide enrollment projections through Fall 2005, along with systemwide capacity analyses, an economic analysis, a projection of General Fund revenues, and a projection of needed capital outlay funding. This report was updated with publication of *Providing for Progress, California Higher Education Enrollment Demand and Resources into the 21<sup>st</sup> Century* (CPEC 00-1) in February 2000, which extended the analysis of all of the previous elements into the year 2010.

In addition, the Commission recently developed a long-range regional undergraduate demand model to complement its statewide enrollment forecasts. The model is intended to support institutional regional planning efforts by providing reliable estimates of higher education enrollment demand, based principally on regional demographics, local labor market demand, regional college-going and eligibility rates, and local K-12 reform efforts in schooling. In the future, the Commission's regional model may also be used as an analytical tool to help inform regional enrollment demand projections developed by the systems to support the need for proposed new campuses and off-campus centers.

In its report, *Providing for Progress*, the Commission estimated that student enrollment in California's public systems of higher education will grow by more than 714,000 students by 2010. The Commission also projects that California's independent colleges and universities will grow by between 75,000 and 130,000 new students by the next ten years. Public postsecondary systems will need to expand existing capacity to accommodate this anticipated surge of enrollment demand, and will likely do so through a combination of year-round operations, expanded schedules, shared facilities, and when appropriate, new facilities.

While some of the enrollment growth can be handled by innovative facility management and technology mediated instruction, it is clear that physical growth will also be needed. The Commission has estimated that the three public systems of higher education will need more than \$821.4 million in capital outlay funds per year to provide for enrollment growth during the projection period.

This extraordinary pressure to increase capacity will no doubt result in more and different proposals submitted for review by CPEC. Already the Commission has almost three times the number of pending reviews than it has had in recent years, and many of the proposals contain innovative elements including shared facilities, collaborative programs, and the use of public-private partnerships to leverage resources. Such initiatives are

consistent with the Commission's perspective and recommendations concerning enrollment demand and institutional capacity.

Several states have established collaborative centers in recent years, including but not limited to: The University Center at Chaparral, in Parker, Colorado; the Virginia Beach Higher Education Center in Virginia Beach, Virginia; the Woodlands University Center near Houston, Texas, and the Auraria Higher Education Center in downtown Denver, Colorado.

There is a need to better define CPEC's role in the development of procedures governing the establishment of intersegmental, collaborative educational centers. These centers raise a number of interesting policy issues dealing with administrative control, fiscal management, programmatic authority and decision-making. The review of the CPEC guidelines provides an opportunity to examine these issues and develop criteria in collaboration with stakeholders to ensure that these new institutions provide high quality, cost effective educational services to students who attend them.

Together, these changes provide an opportunity to revisit the guidelines to determine how they might be updated to reflect the current environment and ensure that they remain a useful tool for evaluating the need for new campuses and educational centers. Such a review also provides an opportunity for the Commission to refine and clarify procedural aspects of the review process that have evolved over time.

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**The process  
of change**

The Commission established an advisory committee of representatives from State control agencies, the three public higher education segments, and independent colleges and universities to advise the Commission on policy issues and concerns the public systems face in the development of new campuses and educational centers. The Commission's Guidelines Advisory Committee proved to be a valuable source of information in reviewing the Guidelines.

This advisory committee will conclude its work at a final meeting in late February with a final discussion on developing language concerning the Commission's desire to be noticed when public segments approve capital outlay requests for new joint-use centers with less than 500 Fall FTES enrollments. The process for reviewing and approving joint-use centers with 500 Fall FTES enrollments has been negotiated and is discussed in the next section of this report. The advisory committee, at this meeting, will also review and approve a new user-friendly format for the guidelines that is being developed by Commission staff.

The following seven policy assumptions are central to the review of the Commission's *Guidelines for Review of Proposed University Campuses, Community Colleges, and Educational Centers*:

1. It will continue to be State policy that each resident of California who has the capacity and motivation to benefit from higher education will have the opportunity to enroll in an institution of higher education. The California Community Colleges shall continue to be accessible to all persons at least 18 years of age who can benefit from the instruction offered, regardless of district boundaries. The California State University and the University of California shall continue to be accessible to first-time freshmen among the pool of students eligible according to Master Plan eligibility guidelines. Master Plan guidelines on undergraduate admission priorities will continue to be (a) continuing undergraduates in good standing; (b) California residents who are successful transfers from California public community colleges; (c) California residents entering at the freshman or sophomore level; and (d) residents of other states or foreign countries.
2. The differentiation of institutional mission and function as defined by the California Master Plan for Higher Education will continue for each of the State's public systems of higher education.
3. The University of California will continue to plan and develop its campuses and off-campus centers on the basis of statewide needs.
4. The California State University will continue to plan and develop its campuses and off-campus centers on the basis of statewide needs and special regional considerations.
5. The California Community Colleges will continue to plan and develop their campuses and off-campus centers on the basis of local needs.
6. Planned enrollment capacities are established for and observed by all campuses of public postsecondary education. These capacities are determined on the basis of statewide and institutional economies, community and campus environment, physical limitations on campus size, program requirements and student enrollment levels, and internal organization. Planned enrollment capacities are established by the governing boards of community college districts (and reviewed by the Board of Governors of the California Community Colleges), the Trustees of the California State University, and the Regents of the University of California.
7. California's independent institutions, while not directly affected by the guidelines, are considered an integral component of California's system of higher education, and offer a viable educational opportunity for many Californians.

As a result of the extensive information provided by the Advisory Committee, staff recommends that the Commission revise its current Guidelines to better reflect California's higher education planning environment.



Staff is recommending several adjustments to the 1992 version of the guidelines including the following:

- ◆ Deleting the requirement for systemwide long-range plans and replacing it with a more specific requirement that each system, when initially considering a new campus or educational center, submit a “Preliminary Notice” of such activity. This precedes the Letter of Intent, and serves to advise the Commission that a new institution or facility is being contemplated. If planning continued, then the Letter of Intent and Needs Study stages would follow, with increasing levels of detail and justification required.
- ◆ Clarifying the purpose of the Commission’s role in the review of new campuses and centers. Previously, the funding implications of Commission approval were unclear; it will now be clear that Commission approval creates an eligibility to compete only for State capital outlay funds, regardless of the source of those funds (bonds, General Fund, special fund, etc.).
- ◆ Defining “Grandfathered Operations” as those institutions formerly recognized by the Commission as an approved location in previously published Commission reports. This definition further clarifies that each “Grandfathered” location must maintain continuous student enrollments since its approval by the Commission.
- ◆ Changing the terminology for off-campus centers with less than 500 Full-Time Equivalent Students (FTES). In the previous iteration of the guidelines, small off-campus centers were termed “Outreach Operations.” In this edition, they are identified as “Off-campus Center Operations,” a change in terminology designed to remove the confusion between small off-campus centers and programs designed to recruit and enroll historically underrepresented students.
- ◆ Increasing the minimum student enrollment threshold for new university or community college campuses. Educational centers in all three public systems are still defined as enrolling a minimum of 500 full-time-equivalent students (FTES), but new community colleges will now be required to enroll at least 2,000 FTES (up from 1,000 FTES previously), while new University of California and California State University campuses will require enrollment minimums of 3,000 FTES. In each case, the new college or campus will have five years to reach the minimum requirement.
- ◆ Allowing, under special circumstances, a University of California or State University educational center to admit lower division students, provided they work with community colleges and can demonstrate compelling need.
- ◆ Modifying requirements for the Letter of Intent section to conform to the changes noted above and reduce the requirement for budget pro-

jections from 10 years to five, primarily because projections that extend beyond five years generally have little usefulness. In addition, the *Guidelines for Review of Proposed University Campuses, Community Colleges, and Educational Centers* will also now clarify that the Commission will not react to Letters of Intent forwarded by individual community college districts, but only those approved by the Chancellor's Office of the California Community Colleges.

- ◆ Modifying requirements for the Needs Study to conform to the changes noted above, more specific cost-benefit information for the conversion of an off-campus centers to a full-service campus, and including a new requirement that proposals for new university or community college campuses include a timeline and evidence of a process leading to regional accreditation by the Western Association of Schools and Colleges.
- ◆ Expanding the scope of the guidelines to include joint-use centers in order to better reflect the growing trend towards cooperative arrangements among two or more higher education institutions or systems. This section begins with a preamble articulating the Commission's goals in encouraging the development of joint-use centers. Such goals include:
  - a. Promoting a seamless transfer system, expanding access to higher education in underserved regions of the state,
  - b. Improving regional economic developments opportunities,
  - c. Encouraging capital outlay savings,
  - d. Advancing the efficient utilization of physical facilities, and
  - e. Expanding the variety of academic programs offered in a single location.

The review stages- Preliminary Notice, Letter of Intent, and Needs Study- for joint-use centers with 500 FTES follow the same review and approval process established for segment-specific off-campus centers; the informational requirements, however, are modified to include detailed information on the nature of the collaborative and the administrative relationships between the participating segments.

The timelines and response times for the Commission to respond to a Letter of Intent and the Needs Study remain largely unchanged. The response time for a Letter of Intent is 60 days, while the response time for a Complete Needs Study varies depending on the proposed action and the segment. In order to allow adequate time for a thorough review, staff recommend that the time for a new community college review be extended from six months to one year. This change would make it consistent with the timeframe required for review of four-year institutions. Al-

though the review of a new community college will generally involve fewer academic programs, regional issues involving local enrollment demand, community support, and intersegmental relationships often require greater attention.

Other changes in the *Guidelines for Review of Proposed University Campuses, Community Colleges, and Educational Centers* are largely technical, or introduced for the purpose of clarification, such as the addition in the enrollment projection sections that specify the use of “Fall Term” FTES. This clarifies the minimum enrollment threshold. Attachment A includes a copy of the revised guidelines.

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## Appendix A

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## *Proposed Revisions to Guidelines for Review of Proposed University Campuses, Community Colleges, and Educational Centers*

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### **Introduction**

The State of California requires new public institutions of higher education to be reviewed by the California Postsecondary Education Commission prior to their establishment. The purpose of the State's review process is to help ensure that new university and college campuses and off-campus centers develop in accordance with statewide needs and priorities and to ensure that State capital outlay funds will be wisely spent. California law requires the California Postsecondary Education Commission to advise the Legislature and the Governor regarding the need for and location of new public higher education institutions and requires sites for new campuses or educational centers to be recommended by the Commission prior to their acquisition or authorization.

This document establishes the State's process for the review of proposed university campuses, community colleges, and educational centers. The *Guidelines for Review of Proposed University Campuses, Community Colleges, and Educational Centers* provides campus planners and executives with a framework for planning new institutions and an outline for the development of proposals requiring review.

The Commission's role in overseeing the orderly growth of California's public higher education can be traced to the inception of the State's Master Plan for Higher Education. This document assigned to the California Postsecondary Education Commission, and to its predecessor, the Coordinating Council for Higher Education, the responsibility for advising the Legislature about the need for new college and university campuses and off-campus centers. While the Governor and the Legislature maintain the ultimate authority to fund such new institutions, they have relied on the Commission's analysis and recommendations in making such decisions. The Commission's function as a statewide planning and coordinating agency for higher education makes it uniquely qualified to provide independent analysis of the costs and benefits of proposed projects and it has played an important role in ensuring that new campuses develop as viable, high quality institutions.

*Commission Responsibilities and Authority Regarding New Campuses and Centers* Section 66903(e) of the California Education Code states that the California Postsecondary Education Commission shall "advise the Legislature and the Governor regarding the need for, and location of, new institutions and campuses of public higher education." Section 66904 of the Education Code expresses the intent of the Legislature that the sites for new institutions or branches of public postsecondary education will not be authorized or acquired unless recommended by the Commission:

It is the intent of the Legislature that sites for new institutions or branches of the University of California and the California State University, and the classes of off-campus centers as the Commission shall determine, shall not be authorized or acquired unless recommended by the Commission.

It is further the intent of the Legislature that California Community Colleges shall not receive State funds for acquisition of sites or construction of new institutions, branches or off-campus centers unless recommended by the Commission. Acquisition or construction of non-State funded community colleges, branches and off-campus centers, and proposals for acquisition or construction shall be reported to and may be reviewed and commented upon by the Commission.

Education Code Section 89002 applies specifically to the California State University (CSU) and specifies that construction of authorized campuses shall commence only upon resolution of the CSU trustees and approval by the California Postsecondary Education Commission.

### *The Review Process*

The State's review process not only helps to ensure that new campuses and off-campus centers develop in accordance with statewide needs and segmental long-range planning goals, but also helps to ensure that State capital outlay funds will be wisely spent.

Proposals submitted for review by the Commission also involve review by system executive offices and State control agencies. Each review plays an important role in ensuring that the proposed institution meets specific needs, will be financially viable, will offer high quality educational services, and will have enrollments sufficient to sustain the project in the long-term.

System executive offices must approve proposals before they are submitted to the Commission for review. The Commission will not review proposals that have not been endorsed by the system governing body or its executive. Proposals involving State capital outlay or operating funds also require review by the Department of Finance through the Budget Change Proposal process, although it is important to note that Commission approval of a new institution creates only an eligibility to compete for State capital outlay funding - not an entitlement - regardless of whether that funding comes from a statewide bond issue, the General Fund, or some other State source. Requests for funding related to planning, developing, or constructing new campuses or educational centers may not be supported by the Department of Finance prior to review by the Commission.

### *Brief History of the Review Process*

The statutes that support the Commission's Guidelines have a long and consistent history dating back to the development of the Master Plan for Higher Education in California in 1960. Section 66903(e) has remained essentially unchanged since the Donahoe Act created the Commission's predecessor agency, the Coordinating Council for Higher Education, in 1961. That legislation gave the Council several specific responsibilities, including the review of new programs, the collection of data and information regarding higher education, and of greatest interest to these Guidelines, the regulation of physical growth. In this way, the Legislature could receive advice from the Council - and subsequently the Commission - regarding the expenditure of scarce capital outlay resources.

Prior to 1974, the Coordinating Council provided broad advice on long-range planning matters, and "the need for and location of new institutions" of higher education. The Council

conducted statewide planning studies, examined enrollment growth and fiscal resources, and suggested not only the number of new campuses that might be required in future years, but also the general locations where they might be built. These statewide planning assessments were contained in a series of reports referred to as the "additional center studies" (CPEC 99-2). The Coordinating Council engaged in this broad, long-range planning responsibility independently of any proposal for a specific new campus or educational center.

When the California Postsecondary Education Commission was established in 1974, the Legislature specified a stronger role for the Commission with regard to its responsibility to advise the Governor and the Legislature about the need for and location of new institutions. The intent language of Education Code Section 66904 gave the Commission a stronger role in overseeing the growth of California's public postsecondary institutions and gave the Commission more direct responsibility to review specific proposals from each of the three public systems.

Since the Donahoe Act was passed, the Commission's quasi-regulatory responsibilities have been formalized by the Guidelines contained in this document. These Guidelines do not directly affect the Commission's responsibility to review new academic programs, which is often undertaken independently of the review of new institutions.

The Commission first adopted policies relating to the review of proposed campuses and educational centers in 1975. The Commission revised those policies in 1978 and 1982. The most recent revision to those policies occurred in 1992 and is contained in the Commission's publication, *Guidelines for Review of Proposed University Campuses, Community Colleges, and Educational Centers* (CPEC, 92-18). The Guidelines specify the proposals subject to Commission review, the criteria for reviewing proposals, the schedule to be followed by the three public systems when submitting proposals, and specify the contents required of a Needs Study. The Guidelines define the criteria by which Commission staff members analyze new campus proposals, focusing particularly on the issues of enrollment demand, geographic location and access, programmatic alternatives, projected costs, potential impacts on the surrounding community, and neighboring institutions.

### **Policy Assumptions Used in Developing The Guidelines**

The following six policy assumptions are central to the development of the Guidelines that the Commission uses in reviewing proposals for new campuses and educational centers:

1. It is State policy that each resident of California who has the capacity and motivation to benefit from higher education will have the opportunity to enroll in an institution of higher education. The California Community Colleges shall continue to be accessible to all persons at least 18 years of age who can benefit from the instruction offered, regardless of district boundaries. The California State University and the University of California shall continue to be accessible to first-time freshmen among the pool of students eligible according to Master Plan eligibility guidelines. Master Plan guidelines on undergraduate admission priorities will continue to be: (a) continuing undergraduates in good standing; (b) California residents who are successful transfers from California public community colleges; (c) California residents entering at the freshman or sophomore level; and (d) residents of other states or foreign countries.
2. The differentiation of function among the systems with regard to institutional mission shall continue to be as defined by the State's Master Plan for Higher Education.



3. The University of California plans and develops its campuses and off-campus centers on the basis of statewide need.
4. The California State University plans and develops its campuses and off-campus centers on the basis of statewide needs and special regional considerations.
5. The California Community Colleges plan and develop their campuses and off-campus centers on the basis of local needs.
6. Planned enrollment capacities are established for and observed by all campuses of public postsecondary education. These capacities are determined on the basis of statewide and institutional economies, community and campus environment, physical limitations on campus size, program requirements and student enrollment levels, and internal organization. Planned enrollment capacities are established by the governing boards of community college districts (and reviewed by the Board of Governors of the California Community Colleges), the Trustees of the California State University, and the Regents of the University of California.
7. California's independent institutions, while not directly affected by the guidelines, are considered an integral component of California's system of higher education and offer a viable educational opportunity for many Californians.

## **Definitions**

As used in these guidelines, "institution" refers to an educational center, a community college, a university campus, or a joint-use facility but not an off-campus center operation. Once approved by the Commission, institutions are eligible to compete for State capital outlay funding through the State's budget change proposal process. For the purposes of these guidelines, the following definitions shall apply:

*Grandfathered Institution (all systems):* A Grandfathered Institution is a community college, a university campus, or an educational center operated by a community college district, the California State University, or the University of California that has been formerly recognized by the Commission as an approved location in previously published reports. Each grandfathered location must have continuously enrolled students since its approval by the Commission. Locations approved by the Commission prior to the effective date of these guidelines shall continue to be eligible for State capital outlay funding.

*Off-campus Center Operation (all systems):* An off-campus operation is an enterprise, operated away from a community college or university campus established to meet the educational needs of a local population, which offers postsecondary education courses supported by State funds, but which serves a student population of less than 500 Fall-Term FTES at a single location. An off-campus center operation does not qualify for State capital outlay funding.

*Educational Center (California Community Colleges):* An educational center is a Commission approved off-campus operation owned or leased by the parent district and administered by a parent community college. An educational center offers instructional programs leading to certificates or degrees conferred by the parent institution. An approved educational center must enroll a minimum of 500 Fall Term FTES and maintain an on-site administration (typically headed by a dean or director, but not a president, chancellor, or superintendent).

*Educational Center (The California State University):* An educational center is an off-campus enterprise owned or leased by the Trustees and administered by a parent State University campus. An educational center will normally offer courses and programs only at the upper-division and/or graduate levels, however the center may offer lower division courses under exceptional circumstances, and only in collaboration with a community college, or by special permission of the Commission. Certificates or degrees earned must be conferred by the parent institution. An educational center must enroll a minimum of 500 Fall-Term FTES and maintain an on-site administration (typically headed by a dean or director, but not by a president). Educational operations in other *countries*, states, and the District of Columbia shall not be regarded as educational centers for the purposes of these guidelines, unless State funding is used.

*Educational Center (University of California):* An educational center is an off-campus enterprise owned or leased by the Regents and administered by a parent University campus. The center will normally offer courses and programs only at the upper division and/or graduate levels, but may offer lower division courses under exceptional circumstances, and only in collaboration with a community college, or by special permission of the Commission. An educational center must enroll a minimum of 500 Fall-Term FTES and maintain an on-site administration (typically headed by a dean or director, but not by a chancellor). Certificates or degrees earned must be conferred by the parent institution. Organized Research Units (ORU's) and the Northern and Southern Regional Library Facilities shall not be regarded as educational centers. Educational operations in other countries, states, and the District of Columbia shall not be regarded as educational centers unless State funding is used.

*Community College (California Community Colleges):* A regionally accredited, degree and certificate granting institution offering a full complement of lower-division programs and services, usually at a single campus location owned by the district. A community college must serve at least 2,000 FTES during the academic year it is approved as a community college by the Commission. A community college that has been converted from an educational center must have 2,000 FTES. A community college must have its own freestanding administration headed by a President and support services, and be capable of passing accreditation by its fifth year of operation.

*University Campus (University of California and The California State University):* A regionally accredited, degree-granting institution offering a full complement of services and programs at the lower division, upper division, and graduate levels, usually at a single campus location owned by the Regents or the Trustees. A university campus must enroll a minimum of 3,000 Fall-Term FTES within five years of the date classes are first offered if it is a new institution. A university campus that has been converted from an educational center must have 3,000 FTES within five years of the opening date. A university campus will have its own freestanding administration headed by a president or chancellor.

*Joint-use Center:* A public higher education enterprise where facilities and operations are shared by two or more of the following segments: California Community Colleges, The California State University, the University of California, California public high schools, and Independent California Colleges and Universities. Joint-use Center may, with concurrence by the California Postsecondary Education Commission, offer programs of study that specify the articulation of coursework between the collaborating partners. Joint-use Centers may be owned or leased, but administrative responsibility must be exercised by one of the three public sys-

tems of higher education. Regardless of operational control, a joint-use center must enroll a minimum of 500 Fall-Term FTES in order to qualify for State capital outlay funding.

### **Projects Subject to Commission Review**

The following transactions are subject to review by the Commission:

- ◆ Proposals for establishing a new university or community college campus
- ◆ Proposals for converting an educational center to a university or community college campus
- ◆ Proposals for establishing a university or community college educational center
- ◆ Proposals for converting an off-campus operation to an educational center
- ◆ Proposals for joint-use centers.

The Commission may review and comment on other projects consistent with its overall State planning and coordination role.

### **Stages in the review process**

The Commission's review process is organized in three phases. The first occurs when an institution or system advises the Commission, through a "Preliminary Notice" that it is engaging a planning process that may include the development of one or more institutions in specified regions. The second occurs when the system notifies the Commission of a specific need for and intention to expand educational services in a given area. This "Letter of Intent" stage permits the Commission to recommend against a proposal or provide advice before the system engages in significant planning and development activities and signals the point at which systems may be eligible to compete for funding to assist in programmatic planning efforts. The third stage of the review process involves a "Needs Study", in which the system submits a formal proposal that provides findings from a comprehensive needs analysis for the project.

At the conclusion of the review process, the Commission forwards its recommendations to the Governor, the Legislature, and the system executive office.

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## New University or Community College Campuses

A university and community college campus is a regionally accredited, degree or certificate granting institution that offers a full complement of services and approved academic programs in accordance with the systemwide mission. The services are usually offered at a single campus location owned by a governing board. A university or community college has its own freestanding administration headed by a president or chancellor. These institutions must meet minimum Full-Time Equivalent Student (FTES) enrollment threshold requirements within five years of opening to be classified as a university or community college campus. The minimum threshold requirements are as follows:

California Community Colleges	2,000 FTES
California State University	3,000 FTES
University of California	3,000 FTES

The process for each public higher education system to establish a new university or community college campus is as follows:

### 1. Preliminary Notice

At such time as a public higher education system, including a community college district, begins a planning process to establish a new community college or university campus, the governing board of the system or district shall forward to the Commission a Preliminary Notice of the planning activities. This Preliminary Notice shall indicate:

- ◆ The general location of the proposed new institution,
- ◆ The type of institution under consideration and the estimated timeframe for its development,
- ◆ The estimated enrollment of the institution at its opening and within five years of operation,
- ◆ A tentative five-year capital outlay plan, and
- ◆ A copy of the agenda item wherein the new site is discussed by the local district (California Community College) or statewide governing board (University of California or California State University), if any.

A Preliminary Notice represents an informational process, and does not require formal consideration or approval by the Commission.

### 2. Letter of Intent

#### *New University of California or State University Campuses*

Not less than five years prior to the time it expects its first capital outlay appropriation for the new university campus, the Regents or the Trustees should submit a Letter of Intent meeting the requirements below, to the Commission (with copies to the Department of Finance, the Demographic Research Unit, and the Office of the Legislative Analyst).

A complete Letter of Intent for a new university campus must contain the following information:

- ◆ A preliminary ten-year enrollment projection (headcount and FTES) for the new university campus (from the campus's opening date), developed by the systemwide central office. The systemwide central office may seek the advice of the Demographic Research Unit (DRU) in developing the projection, but DRU approval is not required at this stage.
- ◆ The geographic location of the proposed campus in terms as specific as possible. A brief description of each site under consideration should be included.
- ◆ The identification of neighboring public and independent institutions in the area in which the proposed university campus is to be located.
- ◆ Maps of the area in which the proposed university campus is to be located, indicating population densities, topography, road and highway configurations, airports and any other features of interest.
- ◆ A time schedule for development of the campus, including preliminary dates and enrollment levels at the opening, intermediate, and final build out stages.
- ◆ A tentative five-year capital outlay budget beginning with the date of the first capital outlay appropriation.
- ◆ A copy of the resolution by the Regents or the Trustees authorizing the new campus.

The Executive Director of the Commission shall respond to the chief executive officer, in writing, no later than 60 days following submission of a complete Letter of Intent to the Commission. The Executive Director may raise concerns about shortcomings or limitations in the Letter of Intent that need to be addressed in the planning process. If the plans appear to be reasonable, the Commission's Executive Director will advise the systemwide chief executive officer to proceed with development plans.

#### *New California Community Colleges:*

A Letter of Intent provides an overview of the district plans regarding a new community college and explains, in general terms, how the facility's programs and services relate to other approved locations in the district. Not less than four years before it expects its first capital outlay appropriation for a new community college, the community college district should submit a Letter of Intent meeting the requirements below, to the Board of Governors of the California Community Colleges (with copies to the Commission, Department of Finance, the Demographic Research Unit, and the Office of the Legislative Analyst). Upon completing its review, the Board of Governors, or the Chancellor, if so delegated by the Board, will forward its recommendation to the Commission, with copies to the Department of Finance and the Legislative Analyst. The Commission will not act on a Letter of Intent submitted by a local community college district prior to its approval by the Board of Governors or the Chancellor of the California Community Colleges.

A Letter of Intent for a new community college must contain the following information:

- ◆ A preliminary ten-year enrollment projection of enrollment headcount and FTES attendance for the new community college (from the college's opening date), developed by the district and/or the Chancellor's Office. The district and/or the Chancellor's Office is encouraged to seek the advice of the Demographic Research Unit in developing the projection, but Unit approval is not required at this stage.
- ◆ The geographic location of the new community college in terms as specific as possible. A brief description of each site under consideration should be included.
- ◆ The identification of neighboring public and independent institutions in the area in which the proposed community college is to be located.
- ◆ Maps of the area in which the proposed new community college is to be located, indicating population densities, topography, road and highway configurations, airports, and any other features of interest.
- ◆ A time schedule for development of the new community college, including preliminary dates and enrollment levels at the opening, intermediate, and final build out stages.
- ◆ A copy of the district's most recent five-year capital construction plan.
- ◆ A tentative five-year capital outlay budget starting on the date of the first capital outlay appropriation (State and local).
- ◆ A copy of the resolution by the district governing board authorizing the new community college.

The Executive Director shall respond to the Chancellor, in writing, no later than 60 days following submission of the completed Letter of Intent to the Commission. The Executive Director may in this process raise concerns about shortcomings or limitations in the Letter of Intent that need to be addressed in the planning process. If the plans appear to be reasonable, the Commission's Executive Director will advise the Chancellor that the district should move forward with further development plans.

### **3. Needs Study**

The purpose of a Needs Study is to demonstrate need for the proposed college or university campus at the location identified. A Needs Study is considered complete only when it fully addresses each of the criteria listed below.

#### **3.1 General Description and Overview**

An opening section that includes: A general description of the proposal, a physical description of the site, and a social and demographic analysis of the surrounding area. Data describing the socioeconomic profile of the area or region should be included, with income levels and racial/ethnic categorizations provided. Inclusion of various descriptive charts, tables, or other displays is encouraged.

#### **3.2 Enrollment projections**

- ◆ Enrollment projections that are sufficient to justify the establishment of the new campus. For a proposed new community college or university campus, enrollment projections for the first ten years of operation (from opening date) must be provided.
- ◆ The Demographic Research Unit (DRU) of the Department of Finance must approve enrollment projections. As the designated demographic agency for the State, the DRU has the statutory responsibility for preparing systemwide enrollment projections. For a proposed new institution, the DRU will approve all projections of undergraduate enrollment developed by a systemwide central office of one of the public systems or by the community college district proposing the new institution. Enrollment projections developed by a local community college district must be approved by the Chancellor's Office. Upon request, the DRU shall provide the system with advice and instructions on the preparation of enrollment projections.
- ◆ Undergraduate enrollment and attendance projections for a new institution shall be presented in terms of Fall Term headcount and Full-Time Equivalent Students (FTES). Enrollment projections for California Community Colleges should also include Weekly Student Contact Hours (WSCH) and WSCH per headcount student.
- ◆ A discussion of the extent to which, in quantitative terms, the proposed campus will increase systemwide or district capacity and help meet statewide and regional enrollment demand.
- ◆ Graduate and professional student enrollment projections shall be prepared by the system office proposing the new institution. In preparing these projections, the specific methodology and/or rationale generating the projections, an analysis of supply and demand for graduate education, and the need for new graduate and professional degrees must be provided.
- ◆ For a new University of California campus, statewide enrollment projected for the University should exceed the planned enrollment capacity of existing University campuses and educational centers. If the statewide enrollment projection does not exceed the planned enrollment capacity for the University system, compelling statewide needs for the establishment of the new university campus must be demonstrated.
- ◆ For a new California State University campus, statewide enrollment projected for the State University system should exceed the planned enrollment capacity of existing State University campuses and educational centers. If the statewide enrollment projection does not exceed the planned enrollment capacity for the system, compelling regional needs must be demonstrated.
- ◆ For a new community college campus, enrollment projected for the district proposing the college should exceed the planned enrollment capacity of existing district colleges and centers. Compelling regional or local need must be demonstrated if the district enrollment projection does not exceed the planned enrollment capacity of existing district colleges or centers.

### **3.3 Alternatives**

- ◆ Proposals for new institutions should address at least the following:
  - (1) the impact of not establishing a new campus;

- (2) the possibility of establishing an educational center instead of a university or college campus;
  - (3) the expansion of existing institutions within the region;
  - (4) the increased utilization of existing institutions, particularly in the afternoons and evenings, and during the summer months;
  - (5) the shared use of existing or new facilities and programs with other postsecondary education institutions, in the same or other public systems or independent institutions;
  - (6) the use of nontraditional instructional delivery modes such as television, computerized instruction, instruction over the Internet, and other "distributed education" modes and techniques; and
  - (7) financing the institution through private fund raising or donations of land or facilities.
- ◆ A cost-benefit analysis of alternative sites, including a consideration of alternative sites for the new institution, must be articulated and documented. This criterion may be satisfied by the Environmental Impact Report, provided it contains a comprehensive analysis of the advantages and disadvantages of alternative sites. Overall, the proposal must demonstrate substantial analytical integrity with regard to the site selection process.
  - ◆ Where a four-year system, or a community college district, already owns - or will have received as a donation - the site on which a new institution is proposed to be located, and has not considered other sites, a strong justification for "sole-sourcing" the site in question must be included. Options to be discussed should include the sale of a donated site, with the resulting revenue used to purchase a better site, or an alternative delivery system such as a collaboration with another public or private institution or organization.

### **3.4 Academic Planning and Program Justification**

- ◆ The proposal must include a preliminary description of the proposed academic degree programs, along with a description of the proposed academic organizational structure. This description must demonstrate conformity with the Commission's academic program review guidelines and with such State goals as access, quality, intersegmental cooperation, and the diversification of students, faculty, administration, and staff.
- ◆ The Needs Study must show evidence of a process leading to full institutional accreditation by the Western Association of Schools and Colleges (WASC) and provide an estimated timeline for attaining accreditation by WASC within a reasonable period of time following the opening of the campus.

### **3.5 Student Services and Outreach**

The proposal for the new institution must include a description of the student services planned for the new campus including student financial aid, advising, counseling, testing,



tutoring, educational opportunity programs, compliance with the Americans with Disabilities Act, and outreach services to historically underrepresented groups and how these programs will be sustained over time.

### **3.6 Support and Capital Outlay Budget Projections**

- ◆ The proposal must include a ten-year capital outlay projection that includes the total Assigned Square Feet (ASF) anticipated to be required for each year of the projection period, with estimates of the average cost per ASF.
- ◆ The proposal must include a five-year projection of anticipated support costs including administration, academic programs (including occupational/vocational as appropriate), academic support, and other standard expense elements.

### **3.7 Geographic and Physical Accessibility**

- ◆ The proposal must include a plan for student, faculty, and staff transportation to the proposed campus and compliance with the Americans with Disabilities Act. Reasonable commuting times must be demonstrated.
- ◆ Plans for student and faculty housing, including projections of needed on-campus residential facilities should be included if appropriate.

### **3.8 Effects on Other Institutions**

- ◆ The proposal must provide evidence that other systems, institutions, and the community in which the new institution is to be located were consulted during the planning process, especially at the time that alternatives to expansion were explored. Strong local, regional, and/or statewide interest in the proposed facility must be demonstrated by letters of support from responsible agencies, groups, and individuals.
- ◆ The proposal must identify the potential impact of the new facility on existing and projected enrollments in neighboring institutions of its own and other systems.
- ◆ The establishment of a new community college must not reduce existing and projected enrollments in adjacent community colleges either within the district proposing the new community college, or in adjacent districts, to a level that will damage their economy of operation, or create excess enrollment capacity at these institutions, or lead to an unnecessary duplication of programs.

### **3.9 Environmental Impact**

The proposal must show evidence that the system or district is engaged in a process leading to an Environmental Impact Report (EIR), pursuant to Section 21080.09 of the Public Resources Code. The proposal must include a discussion of any potentially significant environmental effects of the proposed campus. The proposal must include a discussion of the seismic and safety conditions of the site and the site-specific and cumulative impacts

of full build-out of the proposed campus. Upon request, the system governing board shall provide the Commission with detailed sections of the Draft or Final EIR.

### **3.10 Economic Efficiency**

The Commission encourages economic efficiency and gives priority to new institutions where the State of California is relieved of all or part of the financial burden. When such proposals include gifts of land, construction costs, or equipment, a higher priority shall be granted to such projects than to projects where all costs are born by the State, assuming all other criteria listed above are satisfied. A similar priority shall be given to collaborative efforts in underserved regional areas of the State as determined by the Commission.

The Executive Director shall certify to the system chief executive officer, in writing and within 60 days, that it is complete, or that it requires further input, elaboration, or adjustment. If it is incomplete, the Executive Director shall indicate the specific deficiencies involved. When the Executive Director has certified that all necessary materials for the Needs Study have been received, the Commission has 12 months to take final action to approve or disapprove the new institution.

Once the Commission has taken action on the proposal, the Executive Director will notify the system executive officer, appropriate legislative committee chairs, the Department of Finance, and the Office of the Legislative Analyst.

# **The Conversion of an Educational Center to a University or Community College Campus**

Educational Centers generally offer a limited complement of academic programs that serve the needs of a community. Many student services, such as outreach efforts, disability support services, counseling, etc., are not fully supported. At lower enrollment levels, there are usually too few students to generate enough demand for these services. As enrollment levels increase, however, demand for support services and expanded academic programs also increase. The conversion of an educational center to a university or community college campus usually occurs at a point in time in which there is sufficient demand to justify the expansion of educational and support services, and enrollments are adequate to support the costs of a freestanding administration.

The process for each public higher education system to convert an educational center to a university or community college campus is as follows:

## **1. Preliminary Notice**

At such time as a public higher education system, including a community college district, begins a planning process to establish a new community college or university campus, the governing board of the system or district shall forward to the Commission a Preliminary Notice of the planning activities. This Preliminary Notice shall indicate:

- ◆ The general location of the proposed new institution,
- ◆ The type of institution under consideration and the estimated timeframe for its development,
- ◆ The estimated enrollment of the institution at its opening and within five years of operation,
- ◆ A tentative five-year capital outlay plan, and
- ◆ A copy of the agenda item wherein the new site is discussed by the local district (California Community College) or statewide governing board (University of California or California State University), if any.

A Preliminary Notice represents an informational process, and does not require formal consideration or approval by the Commission.

## **2. Letter of Intent**

*University of California or State University:*

Not less than three years prior to the time it expects to convert an educational center to a university campus, the Regents or the Trustees should submit to the Commission (with copies to the Department of Finance, the Demographic Research Unit, and the Office of the Legislative Analyst) a Letter of Intent.

The Letter of Intent for the conversion of an educational center to a university campus should contain the following information:

- ◆ A ten-year enrollment history (headcount and FTES) of the educational center, or the complete enrollment history, if the center has been in operation for less than ten years.
- ◆ A preliminary ten-year enrollment projection (headcount and FTES) for the new campus (from the campus's opening date), developed by the system office. The system office may seek the advice of the Demographic Research Unit in developing the projection, but Unit approval is not required at this stage.
- ◆ Maps of the area in which the proposed university campus is to be located, indicating population densities, topography, road and highway configurations and any other features of interest.
- ◆ A time schedule for converting the educational center and for developing the new university campus, including preliminary dates and enrollment levels at the opening, intermediate, and final build out stages.
- ◆ A tentative five-year capital outlay budget starting on the date of the first capital outlay appropriation for the new university campus.
- ◆ The identification of neighboring public and independent institutions in the area in which the proposed university is to be located.
- ◆ A copy of the resolution by the Regents or the Trustees authorizing conversion of the educational center to a university campus.

The Executive Director of the Commission shall respond to the chief executive officer, in writing, no later than 60 days following submission of the completed Letter of Intent to the Commission.

The Commission's Executive Director will advise the system chief executive officer to move forward with site acquisition or to develop plans. The Executive Director may in this process raise concerns about shortcomings or limitations in the Letter of Intent that need to be addressed in the planning process. If the Executive Director is unable to approve the Letter of Intent as submitted, he or she shall indicate to the chief executive officer the specific reasons why the Letter of Intent is incomplete prior to notifying the Department of Finance and the Legislative Analyst.

*California Community Colleges:*

Not less than three years prior to the time it expects to convert an educational center to a community college campus, a district should submit a Letter of Intent (with copies to the Commission, Department of Finance, the Demographic Research Unit, and the Office of the Legislative Analyst) to the Chancellor of the California Community Colleges. Upon completing its review, the Board of Governors, or the Chancellor, if so delegated by the Board, will forward its recommendation to the Commission. The Commission will act on a Letter of Intent only after it has been approved by Board of Governors or the Chancellor of the California Community Colleges.

The Letter of Intent to convert an educational center to a community college campus should contain the following information:

- ◆ A ten-year enrollment and attendance history (headcount and FTES) of the educational center, or the complete enrollment history, if the center has been in operation for less than ten years.
- ◆ A preliminary ten-year enrollment and attendance projection (headcount and FTES) for the proposed campus (from the campus's opening date), developed by the district or the Chancellor's Office. The Chancellor's Office may seek the advice of the Demographic Research Unit in developing the projection.
- ◆ Maps of the area of the proposed campus indicating population densities, topography, and road and highway configurations and any other features of interest.
- ◆ A time schedule for converting the educational center and for developing the campus, including preliminary dates and enrollment levels at the opening, intermediate, and final build out stages.
- ◆ A tentative five-year capital outlay budget starting on the date of the first capital outlay appropriation for the proposed campus.
- ◆ The identification of neighboring public and independent institutions in the area in which the proposed campus is to be located.
- ◆ A copy of the letter from the Chancellor's Office approving the Letter of Intent.

The Executive Director shall respond to the Chancellor, in writing, no later than 60 days following submission of the completed Letter of Intent to the Commission. If the plans appear to be reasonable, the Commission's Executive Director will advise the Chancellor to move forward with site acquisition or further development plans. The Executive Director may in this process raise concerns about shortcomings or limitations in the Letter of Intent that need to be addressed in the planning process. If the Executive Director is unable to approve the Letter of Intent as submitted, he or she shall indicate to the chief executive officer the specific reasons why the Letter of Intent is incomplete.

### **3. Needs Study**

The Needs Study provides the findings from a comprehensive needs analysis for the project. The purpose of a Needs Study is to provide evidence of the need for and location of new institutions and campuses of public higher education. A Needs Study is considered complete only when it fully addresses each of the criteria listed below.

Upon receipt of a Needs Study, the Executive Director shall certify to the systemwide chief executive officer, in writing and within 60 days, that it is complete, or that it requires additional information. If it is incomplete, the Executive Director shall indicate the specific deficiencies involved. When the Executive Director has certified that all necessary materials for the Needs Study have been received, the Commission, within 12 months, will approve or disapprove the new institution.

The Executive Director will notify the system executive officer, appropriate legislative committee chairs, the Department of Finance, and the Office of the Legislative Analyst.

A Needs Study for the conversion of an educational center to a university or community college campus should contain the following information:

### **3.1 General Description and Overview**

The opening section of the Needs Study must include: A general description of the proposal, a brief history of the center, a physical description of the site, and a social and demographic analysis of the surrounding area. Data describing the socioeconomic profile of the area or region should be included, with income levels and racial/ethnic categorizations provided. Inclusion of various charts, tables, or other displays is encouraged.

### **3.2 Enrollment Projections**

- ◆ Enrollment projections must be sufficient to justify the establishment of the new campus. For a proposed new community college or university campus, enrollment projections for the first ten years of operation (from opening date) must be provided.
- ◆ The Demographic Research Unit (DRU) of the Department of Finance must approve enrollment projections. As the designated demographic agency for the State, the DRU has the statutory responsibility for preparing systemwide enrollment projections. For a proposed new institution, the DRU will approve all projections of undergraduate enrollment developed by a system office of one of the public systems proposing the new institution. Enrollment projections developed by a local community college district must be approved by the Chancellor's Office. Upon request, the DRU shall provide the system with advice and instructions on the preparation of enrollment projections.
- ◆ Undergraduate enrollment and attendance projections for a new institution shall be presented in terms of Fall Term headcount and Fall Term Full-Time Equivalent Students (FTES). Enrollment projections for California Community Colleges should also include Weekly Student Contact Hours (WSCH) and WSCH per headcount student.
- ◆ A discussion of the extent to which, in quantitative terms, the proposed campus will increase systemwide or district capacity and help meet statewide and regional enrollment demand.
- ◆ The educational center's previous enrollment history, or the previous ten year's history (whichever is less) must also be provided.
- ◆ Graduate and professional student enrollment projections shall be prepared by the system office proposing the new institution. In preparing these projections, the specific methodology and/or rationale generating the projections, an analysis of supply and demand for graduate education, and the need for new graduate and professional degrees must be provided.
- ◆ For a new University of California campus, statewide enrollment projected for the University should exceed the planned enrollment capacity of existing University campuses and educational centers. If the statewide enrollment projection does not exceed the planned enrollment capacity for the University system, compelling statewide

and/or regional needs for the establishment of the new university campus must be demonstrated.

- ◆ For a new California State University campus, statewide enrollment projected for the State University system should exceed the planned enrollment capacity of existing State University campuses and educational centers. If the statewide enrollment projection does not exceed the planned enrollment capacity for the system, compelling regional needs must be demonstrated.
- ◆ For a new community college campus, enrollment projected for the district proposing the college should exceed the planned enrollment capacity of existing district colleges and centers. Compelling regional or local need must be demonstrated if the district enrollment projection does not exceed the planned enrollment capacity of existing district colleges or centers.

### **3.3 Alternatives**

- ◆ Proposals for new institutions should address at least the following alternatives:
  - (1) the possibility of maintaining an educational center instead of a university or college campus;
  - (2) the expansion of existing institutions within the region;
  - (3) the increased utilization of existing institutions, particularly in the afternoons and evenings, and during the summer months;
  - (4) the shared use of existing or new facilities and programs with other postsecondary education institutions, in the same or other public systems or independent institutions;
  - (5) the use of nontraditional modes of instructional delivery such as television, computerized instruction, instruction over the Internet, and other "distributed education" modes and techniques; and
  - (6) private fund raising or donations of land or facilities for the proposed new institution.
- ◆ A cost-benefit analysis of alternatives, including a consideration of alternative sites for the new institution, must be articulated and documented. This criterion may be satisfied by the Environmental Impact Report, provided it contains a comprehensive analysis of the advantages and disadvantages of alternative sites. Overall, the system proposing the new institution must demonstrate substantial analytical integrity with regard to the site selection process.
- ◆ Where a four-year system, or a community college district, already owns - or will have received as a donation - the site on which a new institution is proposed to be located, and has not considered other sites, a strong justification for "sole-sourcing" the site in question must be included. Options to be discussed should include the sale of the site, with the resulting revenue used to purchase a better site, or an alternative delivery system such as a collaboration with another public or private institution or organization.

### **3.4 Academic Planning and Program Justification**

- ◆ The proposal must include a preliminary description of the proposed academic degree programs, along with a description of the proposed academic organizational structure. This description must demonstrate conformity with the Commission's academic program review guidelines and with such State goals as access, quality, intersegmental cooperation, and the diversification of students, faculty, administration, and staff.
- ◆ The Needs Study must show evidence of a process leading to full institutional accreditation by the Western Association of Schools and Colleges (WASC) and provide an estimated timeline for attaining accreditation by WASC within a reasonable period of time following approval of the institution.

### **3.5 Student Services and Outreach**

The proposal for the new institution must include a description of the student services planned for the new campus including student financial aid, advising, counseling, testing, tutoring, educational opportunity programs, compliance with the Americans with Disabilities Act, and outreach services to historically underrepresented groups and how these programs will be sustained over time.

### **3.6 Support and Capital Outlay Budget Projections**

- ◆ The proposal must include a ten-year capital outlay projection that includes the total Assigned Square Feet (ASF) anticipated to be required for each year of the projection period, with estimates of the average cost per ASF.
- ◆ The proposal must include a five-year projection of anticipated support costs including administration, academic programs (including occupational/vocational as appropriate), academic support, and other standard expense elements.

### **3.7 Geographic and Physical Accessibility**

- ◆ The proposal must include a plan for student, faculty, and staff transportation to the proposed campus and compliance with the Americans with Disabilities Act. Reasonable commuting times must be demonstrated.
- ◆ Plans for student and faculty housing, including projections of needed on-campus residential facilities should be included if appropriate.

### **3.8 Effects on Other Institutions**

- ◆ Provide evidence that other systems, institutions, and the community in which the new institution is to be located were consulted during the planning process, especially at the time that alternatives to expansion are explored. Strong local, regional, and/or statewide interest in the proposed facility must be demonstrated by letters of support from responsible agencies, groups, and individuals.



- ◆ The conversion of an educational center to a university campus must take into consideration the impact of the expansion on existing and projected enrollments in neighboring institutions of its own and other systems.
- ◆ The conversion of an educational center to a community college must not reduce existing and projected enrollments in adjacent community colleges either within the district proposing the new community college, or in adjacent districts, to a level that will damage their economy of operation, or create excess enrollment capacity at these institutions, or lead to an unnecessary duplication of programs.

### **3.9 Environmental Impact**

The proposal must include a copy of the Summary Draft or Final Environmental Impact Report (EIR) for the site or the project. The system board shall provide the Commission with detailed sections of the Draft or Final EIR upon request.

### **3.10 Economic Efficiency**

The Commission encourages economic efficiency and gives priority to new institutions where the State of California is relieved of all or part of the financial burden. When such proposals include gifts of land, construction costs, or equipment, a higher priority shall be granted to such projects than to projects where all costs are born by the State, assuming all other criteria listed above are satisfied. A similar priority shall be given to new campuses that engage in collaborative efforts with other segments to expand educational access in underserved regions of the State as determined by the Commission.

## **University or Community College Educational Centers**

An educational center is an off-campus enterprise owned or leased by a governing board and administered by a parent university or college campus. Educational centers offer limited courses and programs leading to certificates or degrees that are conferred by the parent institution. Educational centers associated with a University of California or State University campus offer courses and programs only at the upper division and/or graduate levels. Educational Centers maintain an on-site administration (typically headed by a dean or director, but not by a president or chancellor). Educational Centers must enroll a minimum of 500 Fall-Term FTES.

The process for each public higher education system to establish a new educational center is as follows:

### **1. Preliminary Notice**

At such time as a public higher education system, including a community college district, begins a planning process to establish a new educational center, a new community college, or a new university campus, or to convert an educational center to a community college or university campus, the governing board of the system or district shall forward to the Commission a Preliminary Notice of the planning event. This notice shall indicate only the general location of the proposed new institution, the type of institution under consideration, the estimated enrollment size of the institution at its opening and within five years of operation, and a copy of the agenda item discussed by the local district or system governing board, if any. A Preliminary Notice shall represent only an informational process, and will not require formal consideration or approval by the Commission.

### **2. Letter of Intent**

University of California and the California State University

Not less than two years prior to the time it expects the first capital outlay appropriation for the new educational center, the Regents or the Trustees should submit to the Commission (with copies to the Department of Finance, the Demographic Research Unit, and the Office of the Legislative Analyst) a Letter of Intent.

A Letter of Intent to establish a new educational center should contain the following information:

- ◆ A preliminary five-year enrollment and attendance projection (headcount and FTES) for the new educational center (from the center's opening date), developed by the system office, including itemization of all upper-division and graduate enrollments. The system office may seek the advice of the Demographic Research Unit in developing the projection, but Unit approval is not required at this stage.
- ◆ When converting an off-campus operational center to an educational center, the enrollment history of the off-campus operation.

- ◆ The geographic location of the new educational center in terms as specific as possible. A brief description of each site under consideration should be included.
- ◆ Maps of the area in which the proposed educational center is to be located, indicating population densities, topography, road and highway configurations and any other features of interest.
- ◆ A time schedule for development of the new educational center, including preliminary dates and enrollment levels at the opening, intermediate, and final build out stages.
- ◆ A tentative five-year capital outlay budget starting on the date of the first capital outlay appropriation.
- ◆ A copy of the resolution by the Regents or the Trustees authorizing the new educational center.
- ◆ The identification of neighboring public and independent institutions in the area in which the proposed university campus is to be located.

The Executive Director shall respond to the chief executive officer, in writing, no later than 60 days following submission of the completed Letter of Intent to the Commission. If the plans appear to be reasonable, the Commission's Executive Director will advise the system chief executive officer to move forward with site acquisition or further development plans. The Executive Director may in this process raise concerns about shortcomings or limitations in the Letter of Intent that need to be addressed in the planning process.

If the Executive Director is unable to approve the Letter of Intent as submitted, he or she shall, within 30 days, indicate to the chief executive officer the specific reasons why the Letter of Intent is incomplete.

### *California Community Colleges*

Not less than four years prior to the time it expects to convert an off-campus to a community college center, a district should submit a Letter of Intent (with copies to the Commission, Department of Finance, the Demographic Research Unit, and the Office of the Legislative Analyst) to the Chancellor of the California Community Colleges. Upon completing its review, the Board of Governors, or the Chancellor, if so delegated by the Board, will forward its recommendation to the Commission, with copies to the Department of Finance and the Legislative Analyst.

A Letter of Intent to establish a new community college educational center should contain the following information:

- ◆ A preliminary five-year enrollment projection and attendance (headcount and FTES) for the new educational center (from the center's opening date), developed by the district and/or the Chancellor's Office. The Chancellor's Office may seek the advice of the Demographic Research Unit in developing the projection, but Unit approval is not required at this stage.
- ◆ When converting an off-campus operational center to an educational center, the enrollment history of the off-campus operation.

- ◆ The location of the new educational center in terms as specific as possible. A brief description of each site under consideration should be included.
- ◆ Maps of the area in which the proposed educational center is to be located, indicating population densities, topography, road and highway configurations and any other features of interest.
- ◆ A copy of the district's most recent five-year capital construction plan.
- ◆ A time schedule for development of the new educational center, including preliminary dates and enrollment levels at the opening, intermediate, and final build out stages.
- ◆ A tentative five-year capital outlay budget starting on the date of the first capital outlay appropriation.
- ◆ A copy of the resolution by the district governing board authorizing the new educational center.
- ◆ The identification of neighboring public and independent institutions in the area in which the proposed campus is to be located.

The Executive Director shall respond to the chief executive officer, in writing, no later than 60 days following submission of the completed Letter of Intent to the Commission. If the plans appear to be reasonable, the Commission's Executive Director will advise the system chief executive officer to move forward with site acquisition or further development plans. The Executive Director may in this process raise concerns about shortcomings or limitations in the Letter of Intent that need to be addressed in the planning process. If the Executive Director is unable to approve the Letter of Intent as submitted, he or she shall, within 30 days, indicate to the chief executive officer the specific reasons why the Letter of Intent is incomplete. The Executive Director of the Commission will act on a Letter of Intent only after it has been approved by Board of Governors or the Chancellor of the California Community Colleges.

### **3. Needs Study**

The Needs Study provides the findings from a comprehensive needs analysis for the project. The purpose of a Needs Study is to provide evidence of the need for and location of new institutions and campuses of public higher education. A Needs Study is considered complete only when it fully addresses each of the criteria listed below.

#### **3.1 General description and overview**

The opening section of the Needs Study must include: A general description of the proposal, a physical description of the site, and a social and demographic analysis of the surrounding area. Data describing the socioeconomic profile of the area or region should be included, with income levels and racial/ethnic categorizations provided. Inclusion of various descriptive charts, tables, or other displays is encouraged.

### **3.2 Enrollment projections**

- ◆ Enrollment projections must be sufficient to justify the establishment of the educational center. For a proposed new community college or university campus, enrollment projections for the first ten years of operation (from opening date) must be provided.
- ◆ The Demographic Research Unit (DRU) of the Department of Finance must approve enrollment projections. As the designated demographic agency for the State, the DRU has the statutory responsibility for preparing systemwide enrollment projections. For a proposed new institution, the DRU will approve all projections of undergraduate enrollment developed by a system office of one of the public systems proposing the new institution. Enrollment projections developed by a local community college district must be approved by the Chancellor's Office. Upon request, the DRU shall provide the system with advice and instructions on the preparation of enrollment projections.
- ◆ Undergraduate enrollment projections and attendance for a new institution shall be presented in terms of Fall Term headcount and Fall Term Full-Time Equivalent Students (FTES). Enrollment projections for California Community Colleges should also include Weekly Student Contact Hours (WSCH) and WSCH per headcount student.
- ◆ Graduate and professional student enrollment projections shall be prepared by the system office proposing the new institution. In preparing these projections, the specific methodology and/or rationale generating the projections, an analysis of supply and demand for graduate education, and the need for new graduate and professional degrees must be provided.
- ◆ For a new University of California center, statewide enrollment projected for the University should exceed the planned enrollment capacity of existing University campuses and educational centers. If the statewide enrollment projection does not exceed the planned enrollment capacity for the University system, compelling statewide and/or regional needs for the establishment of the new educational center must be demonstrated.
- ◆ For a new California State University center, statewide enrollment projected for the State University system should exceed the planned enrollment capacity of existing State University campuses and educational centers. If the statewide enrollment projection does not exceed the planned enrollment capacity for the system, compelling regional needs for the center must be demonstrated.
- ◆ For a new community college center, enrollment projected for the district proposing the college should exceed the planned enrollment capacity of existing district colleges and centers. If the district enrollment projection does not exceed the planned enrollment capacity of existing district colleges or centers, compelling regional or local need must be demonstrated.

### **3.3 Alternatives**

- ◆ Proposals for new institutions should address at least the following alternatives:

- (1) the expansion of existing institutions within the region;
  - (2) the increased utilization of existing institutions, particularly in the afternoons and evenings, and during the summer months;
  - (3) the shared use of existing or new facilities and programs with other postsecondary education institutions, in the same or other public systems or independent institutions;
  - (4) the use of nontraditional modes of instructional delivery such as television, computerized instruction, instruction over the Internet, and other "distributed education" modes and techniques; and
  - (5) private fund raising or donations of land or facilities for the proposed new institution.
- ◆ A cost-benefit analysis of alternatives, including a consideration of alternative sites for the new institution, must be articulated and documented. This criterion may be satisfied by the Environmental Impact Report, provided it contains a comprehensive analysis of the advantages and disadvantages of alternative sites. Overall, the system proposing the new institution must demonstrate substantial analytical integrity with regard to the site selection process.
  - ◆ Where a four-year system, or a community college district, already owns - or will have received as a donation - the site on which a new institution is proposed to be located, and has not considered other sites, a strong justification for "sole-sourcing" the site in question must be included. Options to be discussed should include the sale of the site, with the resulting revenue used to purchase a better site, or an alternative delivery system such as a collaboration with another public or private institution or organization.

### **3.4 Academic Planning and Program Justification**

- ◆ For University educational centers, a preliminary description of the proposed academic degree programs must be included, along with a description of the center's proposed academic organization. The description must demonstrate conformity with such State goals as access, quality, intersegmental cooperation, and diversification of students, faculty, administration, and staff.
- ◆ For a community college educational center, a preliminary description of the proposed academic degree and/or certificate programs must be included, together with a list of all course offerings, whether or not they are part of a degree or certificate track. A description of the center's academic/occupational organization must be included. These descriptions must demonstrate conformity with such State goals as access, quality, intersegmental cooperation, and diversification of students, faculty, administration, and staff.

### **3.5 Student Services and Outreach**

The proposal for the new institution must include a description of the student services planned for the new campus including student financial aid, advising, counseling, testing,

tutoring, educational opportunity programs, compliance with the Americans with Disabilities Act, and outreach services to historically underrepresented groups.

### **3.6 Support and Capital Outlay Budget Projections**

- ◆ Proposals for educational centers must include a five-year capital outlay projection that includes the total Assigned Square Feet (ASF) anticipated to be required for each year of the projection period, with estimates of the average cost per ASF.
- ◆ The proposal must include a five-year projection of anticipated support costs including administration, academic programs (including occupational/vocational as appropriate), academic support, and other standard expense elements. The number of Personnel Years (PY) should be indicated.

### **3.7 Geographic and Physical Accessibility**

- ◆ The proposal must include a plan for student, faculty, and staff transportation to the proposed campus and compliance with the American Disability Act. Reasonable commuting times must be demonstrated.
- ◆ Plans for student and faculty housing, including projections of needed on-campus residential facilities should be included if appropriate.

### **3.8 Effects on Other Institutions**

- ◆ Other systems, institutions, and the community in which the new institution is to be located should be consulted during the planning process, especially at the time that alternatives to expansion are explored. Strong local, regional, and/or statewide interest in the proposed facility must be demonstrated by letters of support from responsible agencies, groups, and individuals.
- ◆ The establishment of a new university center must take into consideration the impact of a new facility on existing and projected enrollments at neighboring institutions of its own and other systems.
- ◆ The establishment of a new community college educational center must not reduce existing and projected enrollments in adjacent community colleges either within the district proposing the new community college, or in adjacent districts, to a level that will damage their economy of operation, or create excess enrollment capacity at these institutions, or lead to an unnecessary duplication of programs.

### **3.9 Environmental Impact**

The proposal must include a copy of the Summary Draft or Final Environmental Impact Report (EIR) for the site or the project. The system governing board shall provide the Commission with detailed sections of the Draft or Final EIR upon request.

### **3.10 Economic Efficiency**

The Commission encourages economic efficiency and gives priority to new institutions where the State of California is relieved of all or part of the financial burden. When such proposals include gifts of land, construction costs, or equipment, a higher priority shall be granted to such projects than to projects where all costs are born by the State, assuming all other criteria listed above are satisfied. A similar priority shall be given to a new proposed center that engages in collaborative efforts with other segments to expand educational access in underserved regions of the State as determined by the Commission.

Upon receipt of a Needs Study, the Executive Director shall certify to the system chief executive officer, in writing and within 60 days, that it is complete, or that it requires additional information. If it is incomplete, the Executive Director shall indicate the specific deficiencies involved. When the Executive Director has certified that all necessary materials for the Needs Study have been received, the Commission, within 6 months, will approve or disapprove the new institution.

Once the Commission has taken action on the proposal, the Executive Director will notify the systemwide executive officer, appropriate legislative committee chairs, the Department of Finance, and the Office of the Legislative Analyst.



## Joint-use Centers

### Preamble

Demographic changes, economic conditions, educational reforms, and progress in preparing students for postsecondary education are all factors that are converging to produce substantial increases in demand for higher education in California. Between 1998 and 2010, this demand- generally referred to as “Tidal Wave II”- is estimated to result in an increase of more than 714,000 students seeking enrollment at all levels of public higher education. The Commission, in its recent report, *Providing for Progress: California Higher Education Enrollment Demand and Resources in the 21<sup>st</sup> Century* (CPEC 00-1), estimated that California would need to spend \$1.5 billion annually over the next 10 to 12 years for the existing physical plant and enrollment growth.

The Commission recognizes that this spending plan is a challenge, particularly in an era of state budget reductions. The explosive growth in demand for higher education and limited budgets are straining California’s system of public higher education. These pressures present an opportunity for the state’s higher education segments to encourage and implement cooperative, intersegmental approaches to providing access to higher education.

Joint-use centers are a viable policy alternative for accommodating enrollment growth with limited resources. As far back as 1990, the Commission, in its long-range planning report - *Higher Education at the Crossroads: Planning for the Twenty-First Century* (CPEC 90-1)- strongly encouraged the development of collaborative, joint-use facilities in meeting the educational needs of California’s diverse populations.

The educational needs of students should serve as the overall goal in establishing joint-use centers. The Commission therefore supports the following goals:

- **Promote a seamless system of higher education services:** Sharing facilities between two or more segments could substantially ease the flow of students from one segment to another, potentially increasing transfer rates.
- **Expand access to higher education in underserved or fast-growth regions of the state:** Collaborative facilities increase opportunities for a university education to be available to place-bound students who are often from historically underrepresented socio-economic groups. With this principle in mind, the Commission acknowledges that existing state-supported community college off-campus centers provide a significant opportunity for collaborative ventures with public and independent universities to expand university programs throughout California.
- **Improve regional economic development opportunities:** The Commission recognizes the nexus between access to a university education and a region’s economic development. Collaborative facilities can advance this linkage.
- **Encourage capital outlay cost savings to participating segments:** By encouraging the pooling of capital outlay resources between two or more education segments, col-

laborative facilities can contain state capital outlay costs. These potential cost savings will stretch scarce state capital outlay funds.

- **Advance the efficient utilization of physical facilities:** Collaborative facilities have the potential to achieve higher levels of utilization than single purpose facilities. A jointly used classroom can yield utilization efficiencies by providing access throughout the day to both full-time and part-time students.
- **Expand the variety of academic programs offered in a single location:** Collaborative facilities that include community colleges and universities increase the depth and breadth of the academic programs offered in a single location. This benefits both the educational needs of the students and the labor market needs of regional economies.

**Joint-use Centers Subject to Review by the Commission:**

Joint-use centers subject to the review and approval of the Commission are those that:

1. Meet the definitional requirements of a joint-use center specified on page 5 of the guidelines; and
2. Advance one or more goals articulated in the Preamble; and
3. Have the support of the participating systems.

**Joint-use ventures that are not subject to Commission approval:**

1. Classroom lease agreements between two segments that do not involve academic collaborations.
2. Collaborations that are not instructional. Non-instructional collaborations include intersegmental research activities and joint advising activities, such as transfer centers typically located at community colleges.

**1. Preliminary Notice**

A Preliminary Notice must be submitted at such time as a public higher education segment, including a community college district, engages with another education institution to establish a joint-use center. The governing board of the system or district or the president, chancellor, or district superintendent participating in the collaborative shall forward the Preliminary Notice to the Commission, with copies to the Office of the Legislative Analyst and Department of Finance.

This notice shall:

- Identify the participating educational institutions;

- Indicate the general location of the proposed collaborative facility;
- Provide the actual and estimated enrollment size of the collaborative facility over the next five years of operation;
- Provide the estimated total state capital outlay funds required for the development of the collaborative facility; and
- Include a copy of the agenda item discussed by the local district or statewide governing board, if any, with action taken by the governing body.

A Preliminary Notice shall represent only an informational process, and will not require formal consideration or approval by the Commission.

The Executive Director shall respond to the chief executive officers, in writing, following the submission of the Preliminary Notice. If the preliminary plan appears reasonable, the Commission's Executive Director shall advise the chief executive officers of the systems and institutions to move forward with development plans and the submission of a formal proposal. If the Executive Director is unable to approve the Preliminary Notice as submitted, he or she shall indicate to the chief executive officers the specific reasons why the Preliminary Notice is incomplete.

## **2. Letter of Intent**

Not less than two years prior to the time the first capital outlay appropriation would be needed for the proposed joint-use centers, the appropriate governing boards should submit to the Commission (with copies to the Department of Finance, the Demographic Research Unit, and the Office of the Legislative Analyst) a Letter of Intent. Proposals for joint-use centers involving one or more California community colleges must also be submitted to the California Community College Chancellor's Office for review.

A Letter of Intent to seek approval for joint-use should contain the following information:

- A brief overview of the need for and goals of the proposed institution, including a description of the nature of the collaboration between the educational segments involved in the partnership.
- An enrollment history and a preliminary five-year enrollment projection (headcount and FTES) for the proposed institution (from the projected opening date), developed by the systemwide central office, including an itemization of all lower-division, upper-division and graduate enrollments. The systemwide central office may seek the advice of the Demographic Research Unit in developing the projection, but Unit approval is not required at this stage.
- The geographic location of the proposed institution in terms as specific as possible.
- A brief description of each alternative site under consideration, if appropriate.

- Maps of the area in which the proposed institution is located or is to be located, indicating population densities, topography, and road and highway configurations and access.
- A time schedule for the development of the new joint-use centers, including preliminary dates and enrollment levels at the early, intermediate, and final build out stages.
- A tentative five-year capital outlay budget starting on the date of the first capital outlay appropriation.
- A copy of resolutions by the appropriate governing boards authorizing the proposed institution.

The Executive Director shall respond to the chief executive officers, in writing, no later than 60 days following submission of the completed Letter of Intent to the Commission. If the plans appear to be reasonable, the Commission's Executive Director will advise the system-wide chief executive officers to move forward with site acquisition, if appropriate, or further development plans. The Executive Director may in this process raise concerns about shortcomings or limitations in the Letter of Intent that need to be addressed in the planning process.

If the Executive Director is unable to approve the Letter of Intent as submitted, he or she shall, within 30 days, indicate to the chief executive officer the specific reasons why the Letter of Intent is incomplete prior to notifying the Department of Finance and the Legislative Analyst.

### **3. Joint-use Center Proposal**

A Proposal for the establishment of a joint use center should contain the following information:

#### **3.1 General description and overview**

This section should include: a general description of the collaborative, a physical description of the site, and a social and demographic analysis of the surrounding area. Data describing the socioeconomic profile of the area or region should be included, with income levels and racial/ethnic categorizations provided. Inclusion of charts, tables, or other displays is encouraged.

#### **3.2 Enrollment projections**

- Enrollment projections must be sufficient to justify the establishment of the collaborative institution. Enrollment projections for the first ten years of operation (from opening date) must be provided. A description of the methodologies used in the allocation of Full-Time Equivalent Students (FTES) between the participating systems must be included
- The Demographic Research Unit (DRU) of the Department of Finance must approve the enrollment projections. As the designated demographic agency for the State, the

DRU has the statutory responsibility for preparing systemwide enrollment projections. Upon request, the DRU shall provide the system with advice and instructions on the preparation of enrollment projections.

- Undergraduate enrollment projections for the proposed institution shall be presented in terms of Fall-Term headcount and Fall-Term Full-Time Equivalent Students (FTES). Enrollment projections for California Community Colleges should also include Weekly Student Contact Hours (WSCH) and WSCH per headcount student.
- Graduate and professional student enrollment projections shall be prepared by the systemwide central office proposing the new institution. The system wide central office participating in the joint use center shall prepare graduate and professional student enrollment projections. In preparing these projections, the specific methodology and/or rationale generating the projections, an analysis of supply and demand for graduate education, and the need for new graduate and professional degrees must be provided.
- Enrollments projected for the proposed joint use center should exceed the planned enrollment capacity of the participating public institutions participating in the collaboration. If the enrollment projection does not exceed the planned enrollment capacity for the parent institutions, compelling regional needs for the proposed institution must be demonstrated.
- For a new community college joint use center, enrollments projected for the district proposing the joint use center should exceed the planned enrollment capacity of existing district colleges and centers. If the district enrollment projection does not exceed the planned enrollment capacity of existing district colleges or centers, compelling regional or local need must be demonstrated.

### **3.3 Alternatives**

- Proposals for new joint-use centers should address at least the following alternatives:
  - (1) The feasibility of establishing an educational center instead of a joint-use center;
  - (2) The expansion of existing institutions within the region;
  - (3) The increased utilization of existing institutions, particularly in the afternoons and evenings, and during the summer months;
  - (4) The use of nontraditional modes of instructional delivery such as television, computerized instruction, instruction over the Internet, and other distributed education modes and techniques; and
  - (5) Private fund raising or donations of land or facilities for the proposed new institution.
- A cost-benefit analysis of alternatives, including a consideration of alternative sites for the joint-use, must be articulated and documented. This criterion may be satisfied by the Environmental Impact Report, provided it contains a comprehensive analysis of the advantages and disadvantages of alternative sites. Overall, the system proposing

the joint use center must demonstrate substantial analytical integrity with regard to the site selection process.

- Where a four-year system, or a community college district, already owns - or will have received as a donation - the site on which a new joint-use is proposed to be located, and has not considered other sites, a strong justification for "sole-sourcing" the site in question must be included. Options to be discussed should include the sale of the site, with the resulting revenue used to purchase a better site, or an alternative delivery system such as a collaboration with another public or private institution or organization.

### **3.4 Academic Planning and Program Justification**

- A preliminary description of the proposed academic degree programs must be included, along with a description of the joint-use center's proposed academic organization and the nature of the articulation, including administrative relationships, between the participating postsecondary education institutions. The description must demonstrate congruence with the Commission's academic program review guidelines and with such State goals as access, quality, intersegmental cooperation, and diversification of students, faculty, administration, and staff.
- For a community college joint-use center, a preliminary description of the proposed academic degree and/or certificate programs must be included, together with a list of all course offerings, whether or not they are part of a degree or certificate track. A description of the center's academic/occupational organization must be included. These descriptions must demonstrate conformity with such State goals as access, quality, intersegmental cooperation, and diversification of students, faculty, administration, and staff.

### **3.5 Student Services and Outreach**

A description of the student services planned for the new joint-use center including student financial aid, advising, counseling, testing, tutoring, educational opportunity programs, compliance with the Americans with Disabilities Act, and outreach services to historically underrepresented groups.

### **3.6 Support and Capital Outlay Budget Projections**

- Provide a five-year capital outlay projection that includes the total Assigned Square Feet (ASF) anticipated to be required for each year of the projection period, with estimates of the average cost per ASF.
- Include a five-year projection of anticipated support costs including administration, academic programs (including occupational/vocational as appropriate), academic support, and other standard expense elements. The number of Personnel Years (PY) should be indicated.
- Provide a statement of agreement between the institutions concerning which institution will submit the capital request if an independent state fund source is not defined.

### **3.7 Geographic and Physical Accessibility**

The proposal must include a plan for student, faculty, and staff transportation to the proposed campus or existing site. Reasonable commuting times must be demonstrated. Plans for student and faculty housing, including projections of needed on-campus residential facilities should be included if appropriate.

### **3.8 Effects on Other Institutions**

- Other systems, institutions, and the community in which the joint-use center is to be located should be consulted during the planning process, especially at the time that alternatives to expansion are explored. Strong local, regional, and/or statewide interest in the proposed facility must be demonstrated by letters of support from responsible agencies, groups, and individuals. The establishment of a joint-use center must take into consideration the impact of a new facility on existing and projected enrollments at neighboring institutions of its own and other systems.
- The establishment of a new community college joint-use center must not reduce existing and projected enrollments in adjacent community colleges either within the district proposing the new community college, or in adjacent districts, to a level that will damage their economy of operation, or create excess enrollment capacity at these institutions, or lead to an unnecessary duplication of programs.

### **3.9 Environmental Impact**

The proposal must include a copy of the Summary Draft or Final Environmental Impact Report (EIR) for the site or the project. The statewide governing board shall provide the Commission with detailed sections of the Draft or Final EIR upon request.

### **3.10 Economic Efficiency**

Since it is in the best interests of the State to The Commission encourages maximum economy of operation, priority shall be given to proposals for new joint-use centers institutions where the State of California is relieved of all or part of the financial burden. When such proposals include gifts of land, construction costs, or equipment, a higher priority shall be granted to such projects than to projects where all costs are borne by the State, assuming all other criteria listed above are satisfied.

### **3.11 Collaborative Arrangements**

The proposal should describe the nature of the collaborative arrangements between one or more postsecondary institutions. These arrangements should include as appropriate,

1. which participating institution, state agency, or other entity will own the collaborative facility and, if appropriate, which participating system(s) will lease the facilities;
2. which participating public system of higher education will exercise operation control and responsibility of the facilities;

3. the nature of curricular cooperation between the participating institutions; and
4. the nature of cooperative arrangements to provide academic support services and student services to all students attending the proposed collaborative facility.

#### **4. Proposal Review**

The Executive Director of the Commission shall respond to the chief executive officers of the segments and institutions (with copies to the Office of the Legislative Analyst and Department of Finance), in writing and within 60 days, and shall comment on the reasonableness of the proposal. The Executive Director may, in this process, raise concerns about the limitations of the proposal and request additional information. When the Executive Director certifies that all necessary materials for the proposal are complete, the Commission will have six months to take final action.

#### **5. Commission Notification**

After the Commission takes final action on the proposal, the Executive Director will notify the chief executive officers of the participating institutions and segments, appropriate legislative committee chairs, the Department of Finance, and the Office of the Legislative Analyst.